

Message Text

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1. THERE FOLLOWS FOR USE IN CONNECTION WITH SUBJECT
MEETING AT MISSION'S DISCRETION A PAPER WHICH COMBINES
EARLIER CONTEMPLATED PAPERS ON TC/TA AND TOTALITY OF
RESOURCES. CF. PARAS 5(B) AND 5(D) OF REFTEL.
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2. QUOTE -- U.S. POLICY TOWARD TECHNICAL ASSISTANCE IN
THE UNITED NATIONS SYSTEM - FY 1979 BUDGET SUBMISSION -

3. TECHNICAL ASSISTANCE -- BRIEFLY DEFINED - TECHNICAL
ASSISTANCE IN THE UN SYSTEM GENERALLY INVOLVES THE PROVISION
TO DEVELOPING COUNTRIES OF EXPERTS TO WORK IN ADVISORY,
TRAINING AND OCCASIONAL OPERATIONAL CAPACITIES; LIMITED
AMOUNTS OF SPECIALIZED EQUIPMENT AND TECHNICAL SERVICES;
AND FELLOWSHIPS FOR ADVANCED STUDY ABROAD BY DEVELOPING
COUNTRY NATIONALS. IT DOES NOT INCLUDE SIGNIFICANT RESOURCE

TRANSFERS TO DEVELOPING COUNTRIES IN THE FORM OF CAPITAL LOANS OR GRANTS NOR OTHER DEVELOPMENT SUPPORT ACTIONS SUCH AS TRADE CONCESSIONS OR DEBT RELIEF.

4. TECHNICAL ASSISTANCE CENTERS ON THE DEVELOPMENT OF HUMAN RESOURCES, AS WELL AS ADMINISTRATIVE AND SOCIAL SERVICES. THESE ACTIVITIES ARE COMPLEMENTARY TO AND SUPPORTIVE OF INVESTMENT ACTIVITIES IN DEVELOPING COUNTRIES.

5. SOME ACTIVITIES NOW CALLED TECHNICAL ASSISTANCE ARE RELATED TO OBJECTIVES BEYOND PROMOTION OF AN INDIVIDUAL COUNTRY'S DEVELOPMENT OBJECTIVES. PROGRAMS, FOR EXAMPLE, TO ENHANCE THE METEOROLOGICAL SERVICES OF A COUNTRY ARE OFTEN DESIGNED PRIMARILY TO PROVIDE NECESSARY DATA FOR THE GLOBAL WORLD WEATHER WATCH PROGRAM OF THE WMO.

6. AS WITH MOST BILATERAL AID PROGRAMS, TECHNICAL ASSISTANCE IN THE UN SYSTEM IS USUALLY OFFERED ON A GRANT BASIS RATHER THAN IN THE FORM OF LOANS. INCREASINGLY IT INVOLVES COOPERATION FROM THE RECIPIENT COUNTRY IN THE FORM OF LOCAL INPUTS.

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7. THE UNITED NATIONS DEVELOPMENT PROGRAM (UNDP) AND ITS IMPLEMENTING AGENCIES -- THE WORLD'S LARGEST MULTILATERAL TECHNICAL ASSISTANCE EFFORT -- PROVIDE FIVE BASIC SERVICES:

- " -- SURVEYING AND ASSESSING SUCH DEVELOPMENT ASSETS AS FARM LANDS AND FORESTS; RIVERS AND SUBSURFACE WATERS; NATURAL DEPOSITS; FUEL RESERVES AND MANUFACTURING, COMMERCIAL TOURISM AND EXPERT POTENTIAL.
- " -- STIMULATING FOLLOW-UP CAPITAL INVESTMENT NEEDED TO REALIZE THESE POSSIBILITIES.
- " -- TRAINING IN VOCATIONAL AND PROFESSIONAL SKILLS.
- " -- HELPING COUNTRIES SELECT AND APPLY SUITABLE TECHNOLOGIES AND STRENGTHEN THEIR OWN TECHNOLOGICAL CAPABILITIES.
- "-- ASSISTANCE IN ECONOMIC AND SOCIAL PLANNING, REGIONAL AS WELL AS NATIONAL, WITH PARTICULAR EMPHASIS ON MEETING THE NEEDS OF THE LEAST DEVELOPED COUNTRIES AND THE POOREST SEGMENTS OF THE POPULATION." 1/

8. BACKGROUND - IN 1945, WHEN THE UNITED NATIONS WAS FOUNDED, A CONSCIOUS DECISION WAS TAKEN TO ESTABLISH THE SYSTEM ON A DECENTRALIZED BASIS. THE SPECIALIZED AGENCIES WERE GIVEN OR ALLOWED TO KEEP THEIR OWN CONSTITUTIONS, INDEPENDENT POWERS, AND GOVERNING BODIES. THE GENERAL ASSEMBLY AND THE ECONOMIC AND SOCIAL COUNCIL WERE ACCORDED LIMITED POWERS, EVEN IN THE AREA OF COORDINATION. THEIR "DECISIONS" ARE NOT BINDING ON THE SPECIALIZED AGENCIES NOR ON MEMBER GOVERNMENTS; THEY CAN ONLY OFFER RECOMMENDATIONS.

9. THIS DECENTRALIZATION HAS A NUMBER OF ADVANTAGES. IT REDUCES THE NEED FOR AND COST OF THE OVERHEAD COMPONENT OF CENTRALIZED MANAGEMENT AND CONTROL. IT ENCOURAGES DIVERSITY AND COMPETITION WHICH CAN ENHANCE THE EFFICIENCY AND CREATIVITY OF THE UN ORGANIZATIONS. IT PERMITS TECHNICAL EXPERTS IN FOOD, HEALTH, LABOR AND EDUCATION TO PURSUE THEIR WORK SUBJECT TO GUIDANCE OF GOVERNMENTAL

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EXPERTS IN THE SAME FIELDS RATHER THAN UNDER THE DIRECTION OF A CENTRAL BUREAUCRACY OFTEN KNOWING LITTLE ABOUT THE SUBSTANTIVE ISSUES AND PROBLEMS FACED IN SPECIALIZED FIELDS THIS DIVERSITY ALSO PROVIDES THE NECESSARY INDEPENDENCE FOR THE WORLD BANK AND OTHER DEVELOPMENT LENDING INSTITUTIONS WHICH DEPEND FOR FINANCING ON THEIR ACCESS TO PRIVATE CAPITAL MARKETS.

10. THE FOUNDERS OF THE UNITED NATIONS SYSTEM DID NOT ANTICIPATE THAT TODAY THE UN WOULD BE THE WORLD'S MOST IMPORTANT VEHICLE FOR INTERNATIONAL TECHNICAL ASSISTANCE. THIS ACTIVITY EMERGED SLOWLY AND UNEVENLY IN RESPONSE TO POLITICAL AND ECONOMIC DEVELOPMENTS DURING THE DECADES OF THE 1950'S AND 1960'S. ITS ORGANIZATIONAL EVOLUTION HAS GONE THROUGH A NUMBER OF IMPORTANT STAGES.

11. TECHNICAL ASSISTANCE TO DEVELOPING COUNTRIES BY THE UN SYSTEM ORIGINALLY TOOK THE FORM OF RELATIVELY SMALL ACTIVITIES BY THE UNITED NATIONS ITSELF AND BY THE SPECIALIZED AGENCIES WHOSE CENTRAL MANDATE WAS SEEN AS PROMOTING INTERNATIONAL SECTORAL COOPERATION FOR THE BENEFIT OF A MEMBERSHIP AT THAT TIME LESS ORIENTED TO THE PROBLEM OF GLOBAL DEVELOPMENT. THESE ACTIVITIES INITIALLY WERE FINANCED FROM ASSESSED BUDGETS. BUT, AS AWARENESS OF THE MAGNITUDE OF THE LARGER DEVELOPMENT PROBLEM GREW AND AS CALLS INCREASED FOR GREATER EFFORTS BY THE UN SYSTEM IN THE FIELD OF ECONOMIC AND SOCIAL DEVELOPMENT, THE NEED FOR NEW SOURCES OF FUNDS AND NEW ORGANIZATIONAL ARRANGEMENTS BECAME EVIDENT.

12. WITH THE FOUNDING IN 1949-1950 OF THE UN EXPANDED PROGRAM OF TECHNICAL ASSISTANCE, PRIMARY RELIANCE WAS PLACED ON VOLUNTARY CONTRIBUTIONS BY GOVERNMENTS TO SUPPORT

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THE INCREASING NEED FOR TECHNICAL ASSISTANCE AND A CENTRAL MECHANISM WAS ESTABLISHED TO PROVIDE THE NECESSARY COORDINATION OF THE ACTIVITIES OF THE UN AND THE SPECIALIZED AGENCIES IN THIS FIELD. THE COORDINATION EFFORTS AND FUNDING SOURCES WERE ENHANCED WITH THE ESTABLISHMENT

OF THE UN SPECIAL FUND IN 1956 AND THE UN DEVELOPMENT PROGRAM (UNDP) IN 1966. THE LEADERSHIP ROLE OF THE UNDP IN THE MANAGEMENT OF THE TECHNICAL ASSISTANCE PROGRAMS OF THE UN FAMILY WAS REAFFIRMED BY THE GENERAL ASSEMBLY

THE PROCEDURE OF INTEGRATED COUNTRY PROGRAMMING FOR DETERMINING THE USES WITHIN THE RECIPIENT COUNTRIES OF THE RESOURCES MADE AVAILABLE THROUGH THE UNDP.

13. THE UNITED STATES STRONGLY SUPPORTED AND ENCOURAGED THESE DECISIONS. IT IS IMPORTANT TO UNDERScore, HOWEVER, THAT THE U.S. NEVER TOOK THE POSITION THAT UNDP SHOULD BE THE ONLY SOURCE OF FUNDING FOR TECHNICAL ASSISTANCE. RATHER IT SHOULD BE THE PRIMARY AND CENTRAL CHANNEL FOR U.S. FUNDING. THE U.S. THEREFORE CONTINUED TO SUPPORT MODEST DEVELOPMENT ASSISTANCE PROGRAMS BY SOME SPECIALIZED AGENCIES INCLUDING THE WORLD BANK AND THE UN ITSELF, FINANCED IN PART FROM ASSESSED BUDGETS. WITH THE EXCEPTIO OF THE WORLD HEALTH ORGANIZATION, THE PERCENTAGE OF THE TOTAL BUDGET FOR THESE PROGRAMS HAS ALWAYS BEEN VERY LOW, LESS THAN 8 PERCENT. IN THE CASE OF WHO, MEMBER STATES HAVE TRADITIONALLY REGARDED HEALTH IN A DIFFERENT LIGHT AND APPROVED THE USE OF A SIGNIFICANT PROPORTION OF ASSESSED FUNDS IN THE COMMON FIGHT AGAINST DISEASE AFFECTI LARGE SEGMENTS OF THE WORLD'S POPULATION.

14. NEARLY ALL OF THE UNITED NATIONS SPECIALIZED AGENCIES ENGAGE IN TECHNICAL ASSISTANCE USING RELATIVELY LARGE AMOUNTS OF VOLUNTARY BILATERAL FUNDS WHICH A FEW COUNTRIES LIKE CANADA AND THE SCANDINAVIAN COUNTRIES CONTRIBUTE DIRECTLY TO THE AGENCIES AND NOT THROUGH UNDP. UNCLASSIFIED

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THESE FUNDS MAY ORIGINATE FROM SPECIAL ASSISTANCE ARRANGEMENTS UNDER WHICH MULTILATERAL AGENCIES ARE IMPLEMENTING ESSENTIALLY BILATERAL PROGRAMS USING FUNDS-IN-TRUST; DIREC GOVERNMENT GRANTS TO VARIOUS ACTIVITIES OF THE SPECIALIZED AGENCIES FOR THE BENEFIT OF DEVELOPING COUNTRIES; SPECIAL PURPOSE VOLUNTARY ASSISTANCE FUNDS CONCERNING AREAS SUCH AS POPULATION OR DRUG ABUSE CONTROL; OR LENDING ACTIVITIES OF THE WORLD BANK AND THE REGIONAL DEVELOPMENT BANKS. AS A RESULT WHILE UNDP IS A MAJOR SOURCE OF MULTILATERALLY-PROVIDED TECHNICAL ASSISTANCE FUNDS, LESS THAN ONE HALF OF ALL TECHNICAL ASSISTANCE ACTIVITIES BY THE UN AND ITS VARIOUS ORGANS, PROGRAMS, AND SPECIALIZED AGENCIES ARE FINANCED THROUGH THE UNDP.

15. IN RECENT YEARS THE ISSUE OF THE EXTENT TO WHICH TECHNICAL ASSISTANCE SHOULD BE FINANCED AS A "NORMAL" PART OF THE REGULAR, ASSESSED BUDGETS OF THE SPECIALIZED AGENCIES AS AGAINST VOLUNTARY CONTRIBUTIONS THROUGH THE CENTRAL MECHANISM OF THE UNDP HAS BEEN A SUBJECT OF

INTERNATIONAL DEBATE AND CONCERN. THE DELAYS AND CANCEL-
LATIONS OF PROJECT DELIVERY CAUSED BY THE UNDP FINANCIAL

LIQUIDITY CRISIS OF 1975-76 STIMULATED PRESSURE FROM DE-
VELOPING COUNTRIES FOR MORE FUNDING THROUGH ASSESSED
BUDGETS. SPECIALIZED AGENCIES SAW THIS ISSUE RAISED
FORCEFULLY IN THEIR GOVERNING BODIES, WHERE DEVELOPING
COUNTRIES INCREASINGLY CONTENTED THAT TECHNICAL ASSISTANCE
NO LONGER SHOULD BE TREATED AS AN ANCILLARY FUNCTION. TO
AVOID THE VAGARIES AND UNCERTAINTIES OF VOLUNTARY FUNDING,
THEY PREFERRED TO SEE TECHNICAL ASSISTANCE SUPPORTED MORE
THROUGH ASSESSED RATHER THAN VOLUNTARY CONTRIBUTIONS.

16. IN 1976 THIS PRESSURE RESULTED IN THE CREATION OF VERY
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MODEST TECHNICAL ASSISTANCE PROGRAMS IN FAO AND WIPO --
DOLLARS 9.2 MILLION FOR FAO AND DOLLARS 1.5 MILLION FOR
WIPO. THE U.S. WAS SUCCESSFUL IN PRESSING FOR CRITERIA
THAT DIFFERENTIATED THE NEW PROGRAMS FROM UNDP AND WE ARE
CURRENTLY EVALUATING THE RESULTS.

17. IN 1977 THE U.S. WORKED SUCCESSFULLY TO DEFEAT IN
ICAO, ITU AND IMCO EFFORTS TO ESTABLISH A TECHNICAL
ASSISTANCE PROGRAM FUNDED FROM ASSESSED BUDGETS. IN
FAO WE PERSUADED THE DIRECTOR GENERAL TO AGREE TO AN
INDEPENDENT EVALUATION.

18. FURTHERMORE AT THE FAO CONFERENCE IN NOVEMBER 1977,
WE MOUNTED A SUCCESSFUL CAMPAIGN AGAINST THE USE OF
ASSESSED FUNDS FOR A TECHNICAL ASSISTANCE PROGRAM TO
REDUCE POST-HARVEST LOSSES. THE UNITED STATES HAS NOW
BEEN GIVEN BACK ASSESSED FUNDS WHICH WERE TO BE USED
FOR THESE PURPOSES AND WE HAVE PROPOSED A VOLUNTARY
CONTRIBUTION IN OUR FY 79 BUDGET REQUEST.

19. ANNEX 7 PROVIDES AN ANALYSIS OF THE PERCENTAGE OF
TECHNICAL FINANCING ASSISTANCE REPRESENTED BY ASSESSED
BUDGET FINANCING OVER THE LAST FIVE YEARS.

20. THE PROBLEMS

21. THE GROWTH IN MANY SOURCES OF FUNDING OF TECHNICAL
ASSISTANCE IS AN INEVITABLE RESULT OF A BASICALLY
DECENTRALIZED UN SYSTEM AND OF MANY COMPETING INTERESTS
AMONG AND WITHIN GOVERNMENTS. BUT THE DIVERSITY OF THE
SYSTEM CAUSES A NUMBER OF SERIOUS PROBLEMS. THESE PROBLEM
CAN BE GROUPED WITH RESPECT TO TWO DISTINCT, BUT RELATED
ISSUES:

--THE NEED FOR COHERENCE, COORDINATION, AND GOOD MANAGE-
MENT; AND

--THE RELATIVE ROLE OF ASSESSED AND VOLUNTARY CONTRIBU-

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TIONS.

22. ISSUE 1: COHERENCE, COORDINATION AND MANAGEMENT

23. GIVEN THE DIVERSITY AND DECENTRALIZATION OF THE UN SYSTEM, IT IS MORE DIFFICULT TO ARTICULATE AND IMPLEMENT BASIC POLICY PRIORITIES. THERE IS NO ONE CENTRAL POINT WHERE BROAD SYSTEM PRIORITIES ARE ESTABLISHED. DATA EITHER DO NOT EXIST OR ARE NOT PROVIDED IN A TIMELY FASHION ON THE TOTAL SET OF OPERATIONAL ACTIVITIES OF THE SYSTEM, HOWEVER FINANCED, FOR VARIOUS PURPOSES. THE DATA THAT ARE AVAILABLE FROM INDIVIDUAL SPECIALIZED AGENCIES OFTEN ARE NOT COMPILED ON A SIMILAR BASIS SO THAT COMPARISON IS DIFFICULT.

24. THERE IS ALSO A PROBLEM OF FIELD COORDINATION. WITH SO MANY DIFFERENT AGENCIES AND PROGRAMS, THERE IS A RECURRING TENDENCY FOR EACH AGENCY TO CHALLENGE THE PRIMACY OF THE UNDP FIELD REPRESENTATIVE BY ESTABLISHING AN INDEPENDENT FIELD PRESENCE. THIS COMPLICATES THE JOB OF RECIPIENT GOVERNMENTS IN COORDINATING THE VARIOUS DONOR SOURCES AND MAY RESULT IN INEFFICIENT AND MORE COSTLY FIELD REPRESENTATION FROM MANY DIFFERENT, SMALL ACTIVITIES.

25. WITH SO MANY DIFFERENT INDEPENDENT AGENCIES AND PROGRA INVOLVED IN TECHNICAL ASSISTANCE, THE TASK OF EVALUATION AND QUALITY CONTROL IS MORE DIFFICULT. STANDARDS FOR APPRAISAL AND IMPLEMENTATION OF TECHNICAL ASSISTANCE PROJECTS TEND TO VARY FROM AGENCY TO AGENCY. GOVERNMENTS HAVE A MORE DIFFICULT TIME IN MAKING WISE CHOICES AS TO WHERE THEIR MONEY IS BEST SPENT.

26. EACH SPECIALIZED AGENCY HAS ITS OWN CONSTITUTIONAL UNCLASSIFIED

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MANDATE AND EACH GOVERNING BODY SEPARATELY MAKES DECISIONS CONCERNING BUDGET ASSESSMENTS. IN THE UNITED STATES, BUT EVEN MORE SO IN OTHER COUNTRIES, DIFFERENT DOMESTIC AGENCIES HAVE A LEADING ROLE WITH RESPECT TO DIFFERENT SPECIALIZED AGENCIES. THERE IS THEREFORE NO EFFECTIVE POINT IN THE SYSTEM FOR OVERALL BUDGET MANAGEMENT AND CONTROL.

27. A COMPLICATING FACTOR IN BUDGET MANAGEMENT IS THE DIFFERENCE IN THE SCHEDULING OF ASSESSED AND VOLUNTARY CONTRIBUTIONS. ASSESSED BUDGETS ARE FORMULATED A NUMBER OF YEARS IN ADVANCE AND ADOPTED BY THE UN GENERAL ASSEMBLY OR THE GENERAL CONFERENCES OF THE SPECIALIZED AGENCIES

ON A BIENNIAL BASIS. THE PROCESS OF BUILDING A CONSENSUS
ON A BUDGET BEGINS USUALLY TWO OR THREE YEARS IN ADVANCE.
UPON ADOPTION, THERE IS LITTLE FLEXIBILITY AND BUDGETS

BECOME LEGAL TREATY OBLIGATIONS. 2/ VOLUNTARY BUDGETS
ARE USUALLY ADOPTED ON AN ANNUAL BASIS WITH NO LONG-
TERM COMMITMENT TO SUSTAIN ANY PARTICULAR LEVEL OF FUNDING.
THIS CREATES SPECIAL PROBLEMS BECAUSE IT IS DIFFICULT TO
DECIDE UPON APPROPRIATE LEVELS FOR ASSESSED BUDGETS
WITHOUT KNOWLEDGE OF VOLUNTARY RESOURCES TO BECOME AVAILABL
THIS HINDERS EFFORTS TO ARRIVE AT AN APPROPRIATE MIX
BETWEEN THE TWO TYPES OF FINANCING.

28. ISSUE 2: ASSESSED VERSUS VOLUNTARY CONTRIBUTIONS
FOR TECHNICAL ASSISTANCE

29. AS NOTED, THERE ARE THREE MEHTODS OF FINANCING
TECHNICAL ASSISTANCE ACTIVITIES IN THE UN SYSTEM: A)
VOLUNTARY CONTRIBUTIONS MADE TO THE UNDP; B) VOLUNTARY
CONTRIBUTIONS SOME GOVERNMENTS MAKE DIRECTLY TO THE
SPECIALIZED AGENCIES; AND C) ASSESSED CONTRIBUTIONS
PROVIDED TO THE SPECIALIZED AGENCIES AND TO THE UNITED
NATIONS ITSELF ACCORDING TO VARIOUS FORMULAS. CONSEQUENTLY
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MEMBER GOVERNMENTS ARE PERMITTED CERTAIN FLEXIBILITY IN
CHOOSING THE TYPES, SIZE AND PURPOSES OF TECHNICAL
ASSISTANCE AS WELL AS THE AGENCIES WHICH WILL CARRY IT
OUT.

30. WITH RESPECT TO THE USE OF ASSESSED BUDGET FUNDS FOR
TECHNICAL ASSISTANCE, IT IS IMPORTANT TO REVIEW THE HISTORY
OF THE ISSUE. THE CONSTITUTIONS OF MOST SPECIALIZED
AGENCIES WERE WRITTEN BEFORE 1950 WHEN THE DOCTRINE
OF VOLUNTARY FINANCING BECAME THE BASIS OF THE EXPANDED
PROGRAM OF TECHNICAL ASSISTANCE. IN THE CASE OF FOUR
SPECIALIZED AGENCIES -- WHO, FAO, ICAO, AND WIPO --
THE UNITED STATES SENATE HAS RATIFIED CONSTITUTIONS WHICH
CLEARLY PROVIDE THAT TECHNICAL ASSISTANCE ACTIVITIES SHALL
BE FINANCED FROM THE ASSESSED BUDGET. 3/ THE IMCO CHARTER
OF 1959 IS THE ONLY SPECIALIZED AGENCY CONSTITUTION WHICH
EXPLICITLY STATES THAT TECHNICAL COOPERATION ACTIVITIES
SHALL BE "FUNDED BY OTHER THAN ASSESSED BUDGET FUNDS."
THE STATUTES OF OTHER SPECIALIZED AGENCIES HAVE LESS
SPECIFIC LANGUAGE WHICH MAY BE CONSTRUED TO AUTHORIZE
WHAT HAS SUBSEQUENT TO THEIR DRAFTING BEEN DEFINED AS
TECHNICAL ASSISTANCE OR OPERATIONAL ACTIVITIES.

31. THERE ARE SOME ADVANTAGES TO FUNDING TECHNICAL
COOPERATION THROUGH ASSESSMENTS. IT PROVIDES SOME
COLLECTIVE RESPONSIBILITY, OR BURDEN-SHARING, BY THE
MEMBERSHIP OF THE UN AND ITS SPECIALIZED AGENCIES FOR

FINANCING PROGRAMS IN THIS FIELD. IT THEREBY DEPRIVES
MORE PARSIMONIOUS STATES OF A "FREE RIDE" THAT THEY

ENJOY WHEN A VOLUNTARILY FUNDED PROGRAM OFFERS BENEFITS
TO THE ENTIRE INTERNATIONAL COMMUNITY YET IS FINANCED
BY A FEW STATES DEMONSTRATING A HIGHER DEGREE OF GLOBAL
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CITIZENSHIP. THE HEALTH FIELD IS ONE GOOD EXAMPLE. THERE
HAVE BEEN INSTANCES, SUCH AS THE INTERNATIONAL ATOMIC ENERGY
AGENCY IN THE MID-NINETEEN SIXTIES, IN WHICH WE SOUGHT,
UNSUCCESSFULLY AS IT TURNED OUT, TO PROMOTE FUNDING OF
TECHNICAL ASSISTANCE THROUGH ASSESSED BUDGETS IN ORDER TO
ASSURE ADEQUATE FUNDING AND BROAD PARTICIPATION.

32. THE USE OF ASSESSED BUDGETS FOR TECHNICAL ASSISTANCE
PROGRAMS ALSO POSES PROBLEMS. FIRST WHEREAS THE MAJOR
CONTRIBUTORS EXERCISE CONSIDERABLE INFLUENCE, THEY DO NOT
ENJOY THE SAME DEGREE OF CONTROL AS IN THE CASE OF
VOLUNTARY CONTRIBUTIONS. AS ONE OF APPROXIMATELY 150
NATIONS, THE U.S. CANNOT ALONE, IN MOST INSTANCES,
DETERMINE THE OUTCOME OF GOVERNING BODY DECISIONS WHICH
SET THE SIZE OF PROGRAMS. YET, THROUGH THE ASSESSMENT
MECHANISM WE BECOME OBLIGATED TO PROVIDE A MAJOR SHARE
(UP TO 25 PERCENT) OF THE REGULAR BUDGETS OF THE AGENCIES.
OUR FINANCIAL OBLIGATIONS EXCEED THE WEIGHT OF OUR VOTES
IN GOVERNING BODIES AND THE ONLY SURE REDRESS AGAINST
EGREGIOUS IRRESPONSIBILITY BY THE SPECIALIZED AGENCIES
AND THEIR GOVERNING BODIES WOULD SEEM TO BE WITHDRAWAL.

33. IN FACT, THERE IS A PRACTICAL LIMIT TO THE SPREAD
OF TECHNICAL ASSISTANCE FINANCED THROUGH ASSESSED BUDGETS.
INDEED, EVERY EFFORT OVER THE YEARS TO USE THE ASSESSED
BUDGET AS A MAJOR RESOURCE TRANSFER DEVICE HAS FAILED
PRECISELY BECAUSE THE MAJORITY RECOGNIZES THE CONSTITUTIONAL
CRISIS THAT WOULD BE POSED. ANALYSIS REVEALS THAT IN NO
CASE CAN THE RECENT INCREASE OF UN BUDGETS BE EXPLAINED
TO ANY SIGNIFICANT EXTENT BY THE TECHNICAL ASSISTANCE
PORTIONS OF THE BUDGET. RATHER INFLATION AND THE
DEVALUATION OF THE DOLLAR HAVE BEEN RESPONSIBLE FOR THE
OVERWHELMING SHARE OF THE RECENT INCREASES. MOREOVER,
RECIPIENT AND DONOR COUNTRIES ALL KNOW THAT NO MATTER
WHO CONTROLS THE GOVERNING BODIES, THERE IS NO ULTIMATE
CONTROL OVER CONTRIBUTIONS. CONSEQUENTLY, THE MAJOR DONORS
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MAINTAIN A MAJOR INFLUENCE ON ASSESSED BUDGETS DESPITE
THEIR LIMITED VOTING POWER.

34. A SECOND CONCERN ABOUT ASSESSED BUDGET FINANCING

MECHANISM IS THE IMPACT OF GREATER BUDGETS FOR TECHNICAL ASSISTANCE ON THE BASIC FUNCTION OF THE ORGANIZATIONS. IF TECHNICAL ASSISTANCE, FUNDED THROUGH ASSESSMENTS, EXPANDS VERY RAPIDLY, ASSESSED BUDGETS ACTIVITIES COULD BECOME

INCONSISTENT WITH THE SPIRIT OF THE ORIGINAL MANDATES OF THE ORGANIZATIONS. THIS INCONSISTENCY COULD SERIOUSLY ENDANGER THE CONSENSUS REQUIRED TO MAINTAIN SUPPORT FOR THE UN ORGANIZATIONS, ESPECIALLY AMONG THE MAJOR DONORS. IN PRACTICAL TERMS, HOWEVER, THIS PROBLEM HAS NOT BEEN SERIOUS. AS NOTED ABOVE, MEMBER STATES HAVE TENDED TO ACT PRUDENTLY WHEN FACED WITH ANY SERIOUS POTENTIAL FOR A CONSTITUTIONAL CRISIS AND TECHNICAL ASSISTANCE AS A SHARE OF THE ASSESSED BUDGET REMAINS LOW.

35. VOLUNTARY FUNDING OF TECHNICAL ASSISTANCE PROGRAMS, ON THE OTHER HAND, BE IT THROUGH UNDP OR DIRECTLY TO THE SPECIALIZED AGENCIES, OFFERS SEVERAL DISTINCT ADVANTAGES OVER ASSESSED CONTRIBUTIONS. VOLUNTARY FUNDING MAY GIVE DONORS MORE CONTROL OVER THE MAGNITUDE, DIRECTION, CONTENT AND PERFORMANCE OF THE ACTIVITY. VOLUNTARY FUNDS CAN BE WITHDRAWN FROM PROGRAMS WHICH DONORS DO NOT APPROVE.

36. SOLUTION ALTERNATIVES

37. APPROACH TO ISSUE 1: COORDINATION AND MANAGEMENT

38. ONE POSSIBLE APPROACH TO THE COORDINATION AND MANAGEMENT PROBLEM WOULD BE TO ATTEMPT TO CHANGE THE BASIC UNCLASSIFIED

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NATURE OF THE UN SYSTEM SO THAT IT BECAME ESSENTIALLY CENTRALIZED FOR PURPOSES OF TECHNICAL ASSISTANCE. ONE GOVERNING BODY WOULD MAKE THE BASIC POLICY DECISIONS AND THERE WOULD BE ONE CENTRAL FUNDING SOURCE. AN EXPANDED UNDP WITH DRASTICALLY INCREASED POWERS WOULD SERVE THIS CENTRAL FUNCTION.

39. A REFORM OF THIS SORT IS NEITHER WISE NOR PRACTICAL. IT WOULD DESTROY MANY OF THE ADVANTAGES OF A DECENTRALIZED SYSTEM THAT WERE SO IMPORTANT TO THE FOUNDERS OF THE UN. THE WORLD IS NOT READY FOR A RIGIDLY CENTRALIZED SYSTEM BECAUSE THERE IS NO CONSENSUS ON WHO SHOULD CONTROL THE CENTER. SUCH STRICT CENTRALIZATION COULD ALSO GREATLY INCREASE OVERHEAD COSTS.

40. IN ADDITION, SUCH A SYSTEM IS NOT FEASIBLE SINCE IT WOULD REQUIRE A TOTAL REWRITE OF ALL THE CONSTITUTIONS OF THE SPECIALIZED AGENCIES. ALTERNATIVELY, ONE WOULD NEED TO REVISE THE UN CHARTER SO THAT GENERAL ASSEMBLY OR ECOSOC ACTIONS COULD OVERRIDE THE DECISIONS AND CONSTITUTIONS OF THE SPECIALIZED AGENCIES. NEITHER APPROACH

IS PRACTICABLE.

41. WE BELIEVE THAT IN THE FIELD OF TECHNICAL COOPERATION, THE UNITED STATES SHOULD WORK WITHIN THE BASIC CONSTITUTIONAL MANDATES OF THE SPECIALIZED AGENCIES AND THE UN CHARTER'S LIMITED MANDATE FOR THE GENERAL ASSEMBLY AND ECOSOC. WITHIN THAT FRAMEWORK THERE ARE A NUMBER OF SENSIBLE AND PRACTICAL STEPS THAT CAN BE TAKEN TO IMPROVE THE COORDINATION OF UN TECHNICAL ASSISTANCE ACTIVITIES, BETTER ESTABLISH POLICY PRIORITIES AND INCREASE EFFECTIVENESS. A STRENGTHENED AND IMPROVED UNDP IS AN ESSENTIAL PART OF THE OVERALL EFFORT REQUIRED.

41. THE UNDP

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42. THE MAJOR FOCUS FOR IMPROVED COHERENCE, COORDINATION, AND MANAGEMENT OF UN TECHNICAL ASSISTANCE MUST BE THE UNITED NATIONS DEVELOPMENT PROGRAM. IT HAS SEVERAL STRENGTHS WHICH MAKE IT AN ESSENTIAL AND LARGE PART OF OUR APPROACH TO COORDINATION OF TECHNICAL ASSISTANCE IN THE UNITED NATIONS.

43. FIRST, THE UNDP IS THE ONLY UN AGENCY WHICH HAS A COMPREHENSIVE SYSTEM OF FIELD REPRESENTATIVES. THE UNDP RESIDENT REPRESENTATIVE IS THE LEADING UN PERSON IN NEARLY EVERY DEVELOPING COUNTRY. THE REPRESENTATIVE PERFORMS MANY DIFFERENT FIELD FUNCTIONS ON BEHALF OF NEARLY ALL THE UN SPECIALIZED AGENCIES AND THE UN SECRETARIAT. BILATERAL AID AGENCIES LOOK INCREASINGLY TO THE UNDP RESIDENT REPRESENTATIVE FOR HELP AND GUIDANCE, ESPECIALLY IN COUNTRIES WHERE PARTICULAR BILATERAL PROGRAMS ARE TOO SMALL TO JUSTIFY AN INDEPENDENT FIELD PRESENCE.

44. SECOND, UNDP IS THE ONLY TECHNICAL ASSISTANCE AGENCY THAT CAN EASILY DRAW UPON THE SPECIAL TALENTS OF SEVERAL OF THE SPECIALIZED AGENCIES AND UN ORGANS AND PROGRAMS TO PROVIDE A COORDINATED, MULTIDISCIPLINARY APPROACH TO DEVELOPMENT PROBLEMS AND ISSUES. THE UNDP CAN STRESS A NUMBER OF DIFFERENT THEMES AND PROBLEM ORIENTATIONS IN ITS WORK SUCH AS WOMEN IN DEVELOPMENT.

45. THIRD, UNDP CAN ALSO BE AN INNOVATIVE CATALYST IN APPROACHING NEW PROBLEMS AND NEW ISSUES SUCH AS ENERGY AND NATURAL RESOURCE DEVELOPMENT WHERE APPROPRIATE SPECIALIZED AGENCIES DO NOT EXIST. IT CAN PROVIDE HELP IN PLANNING TECHNICAL ASSISTANCE TO NEWLY EMERGING COUNTRIES THAT NEED SPECIAL HELP SUCH AS A FUTURE
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INDEPENDENT NAMIBIA OR ZIMBABWE.

46. FOURTH, THE UNDP RESIDENT REPRESENTATIVES PARTICIPATE WITH THE RECIPIENT COUNTRY AUTHORITIES IN FORMULATION OF THE "COUNTRY PROGRAM" WHICH PROVIDES THE OPERATIONAL FRAMEWORK WITHIN WHICH DECISIONS CAN BE MADE ON SECTORAL PRIORITIES. THE RESIDENT REPRESENTATIVES CAN PROVIDE AN ESSENTIAL COORDINATING POINT AMONG THE PROJECTS UNDERTAKEN WITHIN THE HOST COUNTRY BY UN AGENCIES. IN MANY INSTANCES, THE REPRESENTATIVES ALSO PROVIDE AN ESSENTIAL INFORMATION EXCHANGE WHICH ENHANCES THE COMPLEMENTARITY OF ACTIVITIES UNDERTAKEN BY THE UN SYSTEM, THE HOST COUNTRY ITSELF, BILATERAL AND NON-GOVERNMENTAL INSTITUTIONS.

47. FIFTH, BY SETTING STANDARDS FOR PROJECT PREPARATION, IMPLEMENTATION AND, INCREASINGLY, FOR PROJECT EVALUATION, THE UNDP HELPS TO BRING ORDER AND INCREASED EFFICIENCY TO THE MULTITUDE OF UN PROJECTS. INCREASED STANDARDIZATION WILL IMPROVE DONOR COUNTRY CAPABILITY TO ASSESS UN DEVELOPMENT ACTIVITIES. THIS ESSENTIAL ACTIVITY, WHICH TAKES PLACE IN UNDP HEADQUARTERS, COSTS ONLY A TINY FRACTION OF TOTAL UNDP ASSISTANCE.

48. SIXTH, THE RESIDENT REPRESENTATIVE PROVIDES SIGNIFICANT ECONOMIES OF OPERATION AND BETTER EFFICIENCY DERIVED FROM ONE, AS OPPOSED TO SEVERAL RESIDENT REPRESENTATIVES, WITH FULL SUPPORT STAFFS, IN A SINGLE COUNTRY.

49. FINALLY, THE UNDP PLAYS THE VITAL ROLE OF PROVIDING THE TECHNICAL ASSISTANCE REQUIRED TO COMPLEMENT THE CAPITAL ASSISTANCE ACTIVITIES OF THE WORLD BANK, REGIONAL DEVELOPMENT BANKS, AND BILATERAL AID AGENCIES, AND INVESTMENT ACTIVITIES OF THE PRIVATE SECTOR. WITHOUT THE PROPER EFFORTS AT APPRAISING, MONITORING, IMPLEMENTING AND EVALUATING PROJECTS AT THE COUNTRY LEVEL, CAPITAL UNCLASSIFIED

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ASSISTANCE IS WASTED AND PRIVATE INVESTORS STAY AWAY. THE TECHNICAL ASSISTANCE SERVICES OF THE UNDP ARE INDISPENSIBLE TO THE CAPITAL ASSISTANCE AGENCIES. UNDP'S SERVICES BECOME INCREASINGLY ESSENTIAL AS BILATERAL AND MULTILATERAL ASSISTANCE PROGRAMS MOVE IN THE DIRECTION OF BASIC HUMAN NEEDS PROJECTS, WHICH TEND TO BE SMALL SCALE AND OFTEN REQUIRE LARGE AMOUNTS OF SKILLED MANPOWERS AND TECHNICIANS.

50. THE UNDP ALSO HAS SOME IMPORTANT WEAKNESSES. IT HAS A VERY FRAGILE INTERGOVERNMENTAL CONSENSUS AS ITS BASIS FOR LEGITIMACY. THE SPECIALIZED AGENCIES HAVE A MUCH STRONGER LEGAL BASIS IN TREATY OBLIGATIONS FOR THEIR

LEGITIMACY. THUS UNDP'S POWER DERIVES LARGELY FROM ITS CONTROL OF FINANCES. IT CANNOT CONTROL THE INDEPENDENT ACTIVITIES OF THE SPECIALIZED AGENCIES. IT CAN ONLY BE EFFECTIVE THROUGH DEMONSTRATIONS OF COMPETENCE AND WILLINGNESS TO SERVE THE INTERESTS OF MEMBER STATES AND THE SPECIALIZED AGENCIES AND THROUGH THE FINANCIAL INCENTIVES IT CAN GIVE THEM.

51. THE UNDP HAS ALSO HAD AT TIMES A TENDENCY IN THE PAST TO ATTEMPT TO CONTROL AT HEADQUARTERS TOO MANY OF THE DETAILS OF PROJECTS. THIS CAN BE A SERIOUS MISTAKE SINCE THE SPECIALIZED AGENCIES AND UN PROGRAMS SHOULD BE RELIED UPON HEAVILY FOR DECISION-MAKING AS REGARDS INDIVIDUAL PROJECT DETAILS. THE RESIDENT REPRESENTATIVE HAS TO BE RELIED UPON HEAVILY FOR HIS KNOWLEDGE OF THE COUNTRY AND HOW INDIVIDUAL PROJECTS TIE INTO THE OVERALL PLAN FOR TECHNICAL ASSISTANCE.

52. COMPLEMENTARY ACTIONS

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53. IN ADDITION TO STRENGTHENING AND IMPROVING THE EFFECTIVENESS OF THE UNDP, A NUMBER OF OTHER COMPLEMENTARY U.S. ACTIONS ARE REQUIRED TO IMPROVE COORDINATION, COHERENCE AND MANAGEMENT. THE UN SYSTEM RESTRUCTURING EXERCISE HAS A DIRECT BEARING ON THESE OTHER EFFORTS. THE ACTIONS THAT WE WISH TO TAKE WILL BE URGED UPON THE NEW DIRECTOR GENERAL FOR DEVELOPMENT AS TOP PRIORITY FOR HIS CONSIDERATION AND CONCERN.

54. FIRST, WE WISH TO WORK THROUGH THE APPROPRIATE INTERGOVERNMENTAL BODIES CONCERNED WITH THE DIRECTION AND COORDINATION OF UN TECHNICAL ASSISTANCE ACTIVITIES IN ORDER TO HAVE THE RESPONSIBLE SECRETARIATS OF THE DIFFERENT PROGRAMS AND AGENCIES DEVELOP COMPATIBLE METHODS OF PLANNING, PROGRAMMING, BUDGETING AND EVALUATION, SO AS TO PROVIDE MORE AND BETTER INPUTS ON A SYSTEMWIDE BASIS IN ORDER THAT GOVERNMENTS CAN BETTER FORMULATE A COHERENT POLICY TO GUIDE THE CONSTITUENT PROGRAMS.

55. SECOND, WE WILL SUPPORT AN EXPANSION OF EVALUATION EFFORTS GENERALLY WITHIN THE UN SYSTEM -- THE WORK OF THE JOINT INSPECTION UNIT AND OF EVALUATION UNITS IN THE VARIOUS AGENCIES. BETTER EVALUATION METHODS WILL ASSIST GOVERNMENTS IN MAKING CHOICES ABOUT WHICH PROGRAMS TO SUPPORT.

56. THIRD, WE WILL WORK TO IMPROVE PROCEDURES WITHIN OUR OWN GOVERNMENT TO ASSURE THE FULLEST POSSIBLE COORDINATION

OF U.S. POLICIES WITH RESPECT TO THE TECHNICAL ASSISTANCE ACTIVITIES OF THE DIFFERENT ELEMENTS OF THE UN SYSTEM. A MOST EFFECTIVE WAY TO ENSURE THAT THE UN COORDINATES ITS ACTIVITIES BETTER IS THE FORMULATION AND ARTICULATION OF COHERENT AND COORDINATED POLICIES BY MEMBER GOVERNMENTS.

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57. APPROACH TO ISSUE 2: METHODS OF FUNDING

58. THE UNITED STATES ADVOCATES STRONGLY THAT TECHNICAL ASSISTANCE SHOULD BE FUNDED PRIMARILY FROM VOLUNTARY CONTRIBUTIONS. VOLUNTARY CONTRIBUTIONS SHOULD BE CHanneled USUALLY THROUGH THE UNDP BECAUSE OF OUR DESIRE TO STRENGTHEN ITS CRITICAL ROLE IN UN TECHNICAL ASSISTANCE ACTIVITIES. IN SOME CASES, VOLUNTARY FUNDS MAY BE GIVEN DIRECT TO SPECIALIZED AGENCIES IF THIS WOULD BE VERY MUCH MORE EFFECTIVE AND SIGNIFICANTLY REDUCE THE COSTS OF CHANNELLING MONIES THROUGH UNDP.

59. AS A GENERAL RULE, WE WILL RESIST ATTEMPTS TO FINANCE EXPANDED TECHNICAL ASSISTANCE THROUGH ASSESSED BUDGETS AND WILL ATTEMPT TO REDUCE ASSESSED BUDGET FUNDING FOR TECHNICAL ASSISTANCE WHERE WE BELIEVE DUPLICATIVE WHERE UNDP IS INVOLVED. HOWEVER, A RIGID POSITION TO THE EFFECT THAT ALL TECHNICAL ASSISTANCE MUST FLOW THROUGH UNDP IS NOT IN US INTERESTS. THERE ARE AREAS OF TECHNICAL ASSISTANCE WHERE THE COLLECTIVE BENEFITS ARE SUFFICIENTLY LARGE THAT IT MAKES SENSE FOR THE INTERNATIONAL COMMUNITY TO FUND THESE THROUGH "BURDEN-SHARING" FEATURES OF THE ASSESSED BUDGETS. MOREOVER, GIVEN THE CONSTITUTIONAL MANDATES OF MANY AGENCIES AND THE HISTORICAL ROLE THE U.S. HAS PLAYED IN SHAPING THE SYSTEM, IT IS NOT FEASIBLE TO COMPLETELY ELIMINATE ASSESSED FUNDING OF TECHNICAL ASSISTANCE WITHOUT THE SAME FUNDAMENTAL REVISION OF THE UN SYSTEM WHICH IS IMPRACTICABLE AS NOTED ABOVE.

60. WE CAN NEVERTHELESS TAKE TWO IMPORTANT STEPS TO HELP ATTAIN OUR OVERALL OBJECTIVE OF (A) LIMITING THE USE OF ASSESSMENTS TO FINANCE TECHNICAL ASSISTANCE PROGRAMS TO ESSENTIAL AREAS;(B) PREVENTING THE CREATION OF NEW
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TECHNICAL ASSISTANCE PROGRAMS FUNDED WITH ASSESSED BUDGETS; AND (C) CONTROLLING THE SIZE OF ANY FUNDS CREATED.

61. FIRST, WE SHALL DEFINE WITHIN CLOSE PARAMETERS THE LIMITED FORMS OF TECHNICAL ASSISTANCE WHICH WE BELIEVE SHOULD BE FUNDED THROUGH ASSESSMENTS, RECALLING BOTH THE

LEGAL MANDATES WHICH CALL FOR SOME FORMS OF TECHNICAL ASSISTANCE AS WELL AS A FEW AREAS IN WHICH THIS FORM OF

FUNDING IS IN THE COLLECTIVE INTEREST. OCCASIONAL DEPARTURES FROM VOLUNTARY FUNDING MAY INCLUDE ACTIVITIES WHICH, ALTHOUGH DIRECTED AT A RECIPIENT COUNTRY OR REGION, HAVE MUCH BROADER IMPLICATIONS FOR PROBLEMS OF CONCERN TO US. EXAMPLES MIGHT INCLUDE IMMUNIZATION PROGRAMS OF THE WHO DESIGNED TO CONTROL A DISEASE THAT COULD SPREAD TO THE REST OF THE WORLD OR TECHNICAL ASSISTANCE ACTIVITIES OF THE IAEA DESIGNED TO IMPROVE NUCLEAR SAFETY FOR ALL THE WORLD. THEY ALSO INCLUDE ACTIVITIES FOR SHORT-TERM, GAP-FILLING, OR EMERGENCY NEEDS THAT UNDP CANNOT EFFECTIVELY SATISFY.

62. SECONDLY, DEVELOPING COUNTRIES SHOULD BE LESS CONCERNED ABOUT THE SPECIFIC SOURCE OF FUNDING OF UN TECHNICAL ASSISTANCE THAN ABOUT ITS QUALITY, LEVEL AND REGULARITY. THEREFORE, WE CAN SIMULTANEOUSLY MEET OUR REQUIREMENT TO FUND THE GREAT MAJORITY OF SUCH ASSISTANCE VOLUNTARILY AND STILL MEET THEIR HOPES FOR REASONABLE LEVELS OF SUSTAINED PROGRAM GROWTH IF WE PROMOTE GREATER USE OF LONG-TERM FUNDING FOR TECHNICAL ASSISTANCE.

63. LONGER-TERM FUNDING WILL HELP TO MEET OUR OBJECTIVE OF IMPROVING THE MANAGEMENT OF TECHNICAL ASSISTANCE THROUGHOUT THE UN.

64. LONGER-TERM FUNDING WOULD REQUIRE THE UNITED STATES TO BE WILLING TO MAKE MULTI-YEAR COMMITMENTS, IDEALLY
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OF FIVE YEARS, TO THE UNDP AND OTHER UN VOLUNTARY FUNDS. THE COMMITMENTS, OF COURSE, WOULD HAVE TO BE CONDITIONAL UPON THE CONGRESSIONAL APPROPRIATIONS PROCESS AND UPON SATISFACTORY PERFORMANCE IN THE USE OF THESE FUNDS.

65. WITH LONGER-TERM COMMITMENTS, THE UNDP WILL BE IN A BETTER POSITION TO ASSIST THE SPECIALIZED AGENCIES IN THEIR REGULAR BUDGETING PROCESS. REGULAR BUDGETS COULD BE FORMULATED IN LIGHT OF THE VOLUNTARY FUNDS LIKELY TO BE AVAILABLE. VOLUNTARY FUNDS MIGHT BE USED AS A MORE EFFECTIVE LEVER IN TRYING TO HOLD DOWN THE GROWTH OF ASSESSED BUDGETS. UNDP AND MEMBER GOVERNMENTS WILL HAVE TO WORK VERY CLOSELY WITH THE SPECIALIZED AGENCIES IN THEIR FORMULATION OF THEIR REGULAR BUDGETS. USED WISELY, LONGER-TERM COMMITMENTS CAN BE USED AS AN EFFECTIVE COUNTERMEASURE TO LIMIT PRESSURES IN FAVOR OF ASSESSED FUNDING FOR TECHNICAL ASSISTANCE AND SHOULD FACILITATE MAINTENANCE OF THE HISTORIC PATTERN OF LIMITED ASSESSMENTS FOR TECHNICAL ASSISTANCE WHICH WAS

CALLED INTO QUESTION DURING THE UNDP FINANCIAL CRISIS

OF 1975-76

66. U.S. POLICY TOWARD TECHNICAL ASSISTANCE

67. IMPROVED COORDINATION OF UN TECHNICAL ASSISTANCE REQUIRES US TO BUILD UPON THE STRENGTHS OF UNDP AND TO RECOGNIZE AND ATTEMPT TO IMPROVE WEAKNESSES WHERE THEY MAY EXIST. IT ALSO REQUIRES STRONG ACTION TOWARD RELATED ACTIVITIES OUTSIDE THE UNDP FRAMEWORK. IN LIGHT OF THESE CONSIDERATIONS IT WILL BE OUR POLICY:

--TO CONTINUE TO SUSTAIN THE UNDP AS THE MAJOR CHANNEL FOR UNITED STATES VOLUNTARY CONTRIBUTIONS TO THE TECHNICAL UNCLASSIFIED

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ASSISTANCE PROGRAMS OF THE UN SYSTEM IN ORDER TO HELP STRENGTHEN AND IMPROVE ITS ABILITIES TO PROVIDE MORE COHERENCE IN PLANNING, BETTER STANDARDS FOR, AND HIGHER QUALITY IN UN TECHNICAL ASSISTANCE PROGRAMS.

--TO SUPPORT A STRENGTHENED ROLE FOR THE UNDP RESIDENT REPRESENTATIVES, INTER ALIA BY MAKING THEM THE FOCAL POINT IN THE RECIPIENT COUNTRY FOR LIAISON AMONG ALL AGENCIES ENGAGED IN DEVELOPMENT ASSISTANCE ACTIVITIES;
--TO ENCOURAGE THE UNDP, WORKING WITH OTHER RELEVANT UN BODIES, TO ESTABLISH APPROPRIATE DEFINITIONS AND PROCEDURES FOR THE SPECIALIZED AGENCIES AND OTHER UN AGENCIES FOR ASSEMBLING DATA ON TECHNICAL ASSISTANCE ACTIVITIES AND THE GATHERING OF SUCH DATA ON A TIMELY AND COMPREHENSIVE BASIS;

--TO SUPPORT AN ENHANCED ROLE FOR THE UNDP IN SETTING TECHNICAL STANDARDS FOR PROJECT APPRAISAL, EXECUTION, MONITORING AND EVALUATION;

--TO PRESS, SIMULTANEOUSLY, FOR REDUCED DIRECT INVOLVEMENT BY UNDP HEADQUARTERS IN THE DETAILS OF APPRAISAL, EXECUTION AND MONITORING OF INDIVIDUAL PROJECTS; DIRECT INVOLVEMENT BY HEADQUARTERS SHOULD BE RESTRICTED TO CAREFUL SAMPLING IN ORDER TO PROVIDE NECESSARY DEGREE OF QUALITY CONTROL.

--TO SUPPORT AN EXPANSION OF EVALUATION EFFORTS GENERALLY WITHIN THE UN SYSTEM, IN PARTICULAR THE WORK OF THE JOINT INSPECTION UNIT.

--TO WORK THROUGH APPROPRIATE INTERGOVERNMENTAL BODIES, SUCH AS THE ECOSOC COMMITTEE ON PROGRAM COORDINATION TO DEVELOP COMPATIBLE (SYSTEMWIDE) METHODS OF PROGRAMMING AND BUDGETING; AND

--TO IMPROVE PROCEDURES WITHIN OUR OWN GOVERNMENT TO PRESENT COORDINATED AND COHERENT U.S. VIEWS ON UN TECHNICAL ASSISTANCE ACTIVITIES.

68. OUR OBJECTIVE TO LIMIT USE OF ASSESSED FUNDS FOR TECHNICAL ASSISTANCE PROGRAMS WILL BE SERVED BY THE

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FOLLOWING POLICIES:

--WORK WITHIN INTERGOVERNMENTAL BODIES AND THE SECRETARIATS OF UN ORGANIZATIONS TO RESIST EXPANSION OF EXISTING TECHNICAL ASSISTANCE PROGRAMS THROUGH ASSESSED BUDGETS OR THE PROLIFERATION OF NEW SUCH PROGRAMS;
--ATTEMPT TO LIMIT DEPARTURES FROM THE PRINCIPLE OF VOLUNTARY FUNDING OF TECHNICAL ASSISTANCE EXCEPT IN FEW, WELL-DEFINED INSTANCES WHERE IT IS IN THE COMMON INTEREST;
--BEGIN TO EXPLORE ACTIVELY WITH OTHER DONOR COUNTRIES THE PLACING OF UNDP VOLUNTARY FUNDING ON A SOUND BASIS THROUGH LONG-TERM PLEDGES BY FUND DONORS.

69. IN ALL OF THESE EFFORTS, WE WILL HAVE TO WORK CLOSELY WITH OTHER MAJOR DONOR COUNTRIES IN ORDER TO HAVE A CHANCE FOR SUCCESS. ONE MECHANISM IN WHICH THIS CONSULTATION CAN TAKE PLACE IS THE GENEVA GROUP, AN INFORMAL CONVOCA-
TION OF REPRESENTATIVES OF MAJOR WESTERN DONOR GOVERNMENTS, WHICH HAS BECOME AN INCREASINGLY ACTIVE AND EFFECTIVE FORUM FOR COORDINATING POLICY IN THE UN SPECIALIZED AGENCIES, INDIVIDUALLY AND COLLECTIVELY. THE GENEVA GROUP NETWORK IS BEING USED TO REVIEW CRITICALLY AND CONSTRUCTIVELY THE PROPOSED PROGRAMS OF WORK AND BUDGETS OF THE SPECIALIZED AGENCIES AND WE ARE WORKING TO INVOLVE IT IN FIELD STUDY EVALUATIONS OF THE UN ASSISTANCE ACTIVITIES.
UNQUOTE.

70. DCM SORENSON HAND CARRYING ANNEXES AND SUPPLEMENTARY MATERIAL RELATING TO ABOVE PAPER.

71. PAPER ON EVALUATION WILL BE TRANSMITTED SHORTLY
CF. PARA 5 (C) OF REFTEL.

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72. AS DISCUSSED PREVIOUSLY WITH AMBASSADOR, IO/DHP DIRECTOR CHESTER NORRIS AVAILABLE FOR BRIEF VISIT TO DISCUSS THE ABOVE PAPERS IN DEPTH IF MISSION DESIRES.

73. WOULD APPRECIATE NO DISTRIBUTION OUTSIDE MISSION PENDING SORENSON'S RETURN AND POSSIBLE NORRIS VISIT. VANCE

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